

CITY OF BISMARCK DEFERRED SICK LEAVE FUND
INVESTMENT PERFORMANCE REPORT AS OF AUGUST 31, 2007

	August-07				July-07				Current FYTD	Prior Year FY07	3 Years	5 Years
	Market Value	Allocation Actual	Policy	Month Net ROR	Market Value	Allocation Actual	Policy	Month Net ROR			Ended 6/30/2007 Net	Ended 6/30/2007 Net
LARGE CAP DOMESTIC EQUITY												
<i>Structured Growth</i>												
Los Angeles Capital	18,213	2.2%	2.3%	1.09%	18,248	2.2%	2.3%	-3.21%	-2.15%	21.84%	13.35%	N/A
Total Structured Growth	18,213	2.2%	2.3%	1.09%	18,248	2.2%	2.3%	-3.21%	-2.15%	21.84%	13.35%	10.94%
<i>Russell 1000 Growth</i>				1.59%				-1.55%	0.02%	19.04%	8.70%	9.28%
<i>Structured Value</i>												
LSV	17,969	2.2%	2.3%	1.43%	17,711	2.2%	2.3%	-4.84%	-3.48%	23.77%	19.00%	16.55%
<i>Russell 1000 Value</i>				1.12%				-4.62%	-3.56%	21.87%	15.93%	13.31%
<i>Russell 1000 Enhanced Index</i>												
LA Capital	36,471	4.4%	4.5%	0.90%	36,138	4.4%	4.5%	-3.86%	-2.99%	21.27%	13.46%	N/A
<i>Russell 1000</i>				1.36%				-3.09%	-1.77%	20.43%	12.34%	
<i>S&P 500 Enhanced Index</i>												
Westridge	40,441	4.9%	4.5%	1.53%	38,909	4.7%	4.5%	-1.62%	-0.11%	21.12%	11.98%	N/A
<i>S&P 500</i>				1.50%				-3.10%	-1.65%	20.59%	11.68%	
<i>Index</i>												
State Street	11,230			0.80%	11,133			-4.09%	-3.31%	21.82%	12.34%	11.08%
Total 130/30	11,230	1.4%	1.5%	0.80%	11,133	1.4%	1.5%	-4.09%	-3.31%	21.82%	12.34%	11.08%
<i>S&P 500</i>				1.50%				-3.10%	-1.65%	20.59%	11.68%	10.71%
TOTAL LARGE CAP DOMESTIC EQUITY	124,324	15.1%	15.0%	1.20%	122,139	14.9%	15.0%	-3.22%	-2.06%	21.86%	13.76%	12.22%
<i>S&P 500</i>				1.50%				-3.10%	-1.65%	20.59%	11.68%	10.71%
SMALL CAP DOMESTIC EQUITY												
<i>Manager-of-Managers</i>												
SEI	20,805	2.5%	2.5%	0.30%	20,770	2.5%	2.5%	-6.33%	-6.04%	18.39%	13.70%	14.37%
<i>Russell 2000 + 200bp</i>				2.43%				-6.67%	-4.40%	18.76%	15.72%	16.16%
<i>Enhanced</i>												
Research Affiliates	20,162	2.4%	2.5%	0.87%	19,964	2.4%	2.5%	N/A	N/A	N/A	N/A	N/A
<i>Russell 2000</i>				2.27%				-6.84%	-4.73%			
TOTAL SMALL CAP DOMESTIC EQUITY	40,967	5.0%	5.0%	0.58%	40,735	5.0%	5.0%	-6.33%	-5.78%	18.39%	13.70%	14.37%
<i>Russell 2000</i>				2.27%				-6.84%	-4.73%	16.44%	13.45%	13.88%
INTERNATIONAL EQUITY												
<i>Large Cap - Active</i>												
Capital Guardian	31,801	3.9%	4.0%	-2.30%	32,601	4.0%	4.0%	-1.85%	-4.10%	25.99%	21.19%	14.89%
LSV	33,265	4.0%	4.0%	-3.14%	34,340	4.2%	4.0%	-1.90%	-4.98%	31.24%	N/A	N/A
Total Large Cap - Active	65,066	7.9%	8.0%	-2.73%	66,942	8.2%	8.0%	-1.87%	-4.55%	28.57%	22.95%	18.43%
<i>MSCI EAFE - 50% Hedged</i>				-1.40%				-2.31%	-3.68%	26.94%	22.55%	15.71%
<i>Small Cap - Value</i>												
Lazard	8,155	1.0%	1.0%	-4.20%	8,515	1.0%	1.0%	-0.60%	-4.77%	21.03%	20.93%	N/A
<i>Citigroup Broad Market Index < \$2BN</i>				4.60%				1.20%	5.86%	28.58%	26.34%	
<i>Small Cap - Growth</i>												
Vanguard	7,894	1.0%	1.0%	-2.97%	8,136	1.0%	1.0%	-0.46%	-3.42%	31.00%	28.08%	N/A
<i>Citigroup Broad Market Index < \$2BN</i>				4.60%				1.20%	5.86%	28.58%	26.34%	
TOTAL INTERNATIONAL EQUITY	81,115	9.9%	10.0%	-2.90%	83,593	10.2%	10.0%	-1.62%	-4.48%	28.02%	23.43%	17.15%
<i>MSCI EAFE - 50% Hedged</i>				-1.40%				-2.31%	-3.68%	26.94%	22.55%	15.71%
DOMESTIC FIXED INCOME												
<i>Core Bond</i>												
Western Asset	161,354	19.6%	20.2%	0.57%	160,375	19.6%	20.2%	0.16%	0.74%	7.29%	4.44%	5.64%
<i>Lehman Aggregate</i>				1.23%				0.83%	2.07%	6.12%	3.98%	4.48%
<i>Mortgage Backed</i>												
Hyperion	44,370	5.4%	5.2%	-0.61%	45,319	5.5%	5.2%	0.09%	-0.52%	N/A	N/A	N/A
<i>Lehman Global Aggregate (US Securitized Portion)</i>				1.02%				1.09%	2.11%			
<i>Core Plus/Enhanced</i>												
Clifton Group	45,598	5.5%	5.2%	1.69%	44,859	5.5%	5.2%	1.64%	3.36%	5.52%	N/A	N/A
Prudential	44,273	5.4%	5.2%	0.95%	43,865	5.4%	5.2%	-0.29%	0.65%	N/A	N/A	N/A
Total Core Plus/Enhanced	89,871	10.9%	10.4%	1.32%	88,725	10.8%	10.4%	0.67%	2.01%	5.95%	N/A	N/A
<i>Lehman Aggregate</i>				1.23%				0.83%	2.07%	6.12%		
<i>Index</i>												
Bank of ND	80,723	9.8%	9.1%	1.32%	79,661	9.7%	9.1%	1.11%	2.45%	5.45%	2.92%	4.32%
<i>Lehman Gov/Credit (1)</i>				1.28%				1.00%	2.29%	6.00%	3.04%	4.35%
<i>BBB Average Quality</i>												
Wells Capital (formerly Strong)	159,950	19.4%	20.2%	0.97%	158,300	19.3%	20.2%	-0.21%	0.76%	7.93%	4.86%	6.59%
<i>Lehman US Credit BAA</i>				1.06%				-0.06%	1.00%	7.54%	4.47%	6.59%
TOTAL DOMESTIC FIXED INCOME	536,267	65.1%	65.0%	0.83%	532,381	65.0%	65.0%	0.27%	1.10%	7.11%	3.89%	5.04%
<i>Lehman Aggregate (2)</i>				1.23%				0.83%	2.07%	6.12%	4.13%	4.87%
CASH EQUIVALENTS												
<i>Bank of ND</i>												
90 Day T-Bill	40,700	4.9%	5.0%	0.43%	40,762	5.0%	5.0%	0.44%	0.87%	5.36%	4.10%	3.00%
				0.56%				0.39%	0.95%	5.21%	3.78%	2.76%
TOTAL DEFERRED SICK LEAVE FUND	823,373	100.0%	100.0%	0.47%	819,609	100.0%	100.0%	-0.82%	-0.36%	11.82%	7.58%	8.08%
POLICY TARGET BENCHMARK				1.02%				-0.48%	0.54%	10.68%	7.25%	7.42%

NOTE: Monthly returns and market values are preliminary and subject to change.

(1) From April 1, 2004, through June 30, 2005, the benchmark was the LB Intermediate Govt/Credit Index.

(2) Prior to July 1, 2005, the benchmark was LB Govt/Credit Index.